

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:3656

ANSWERED ON:08.08.2016

Iron Ore and Steel Production

By Prof. Richard

Will the Minister of STEEL be pleased to state:

- (a) the details of the total quantum of iron ore and steel produced, exported and imported along with the per capita consumption of steel in the country during the last three years and the current year, plant-wise and country-wise;
- (b) the estimated demand and supply projections of iron ore and steel separately for the public and private sectors during the next three years;
- (c) the steps taken/proposed to be taken by the Government to meet the projected demands;
- (d) whether the import of iron ore has increased during the last three years and the current year and if so, the details thereof and the reasons therefor;
- (e) whether the steel prices in the country are higher as compared to the other major steel producing countries and if so, the reasons therefor along with the efforts made by the Government in this regard; and
- (f) the steps taken/being taken by the Government for regulating the export of iron and steel from the country?

Answer

THE MINISTER OF STATE FOR STEEL (SHRI VISHNU DEO SAI)

(a) Details of steel imported and exported during the last three years, country-wise, are at Annexure-I and II respectively. Table showing total quantum of iron ore and steel produced, per capita consumption of steel in the country during the last three years and the current year are given below:

(in million tonnes)

Year Iron Ore Production Crude Steel Production Per capita steel consumption (kg)

2013-14 152.18 81.69 60

2014-15 128.91 88.98 60

2015-16 155.90 89.78 60

2016-17 48.20 Not available Not available

(Source: IBM/JPC)

(b)&(c): Steel consumption has been growing at 4 % per annum over past decade. With a production of 89.32 MT of crude steel and production capacity of 118 MT in end of Financial Year 2015-2016, Government does not foresee any shortage of steel in the country. Similarly present production trends of iron ore do not indicate any shortage of iron ore in the country.

(d) As per available information, the imports of iron ore during the last three years shows fluctuating trends due to various market conditions. Details are given in the table below:-

2013-2014 2014-15 2015-16 (Prov.)

Qty. Value Qty. Value Qty. Value

369 3423552 12093 65947417 7095 31957297

(Source: IBM)

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-: 2 :-

(e) The comparable domestic prices of steel product in major steel producing countries as compared to India may be seen below. The price of steel in India is comparable to major steel producing countries.

Table 1: Ex- Works Prices of HRC, CRC & Re-bars in June 2016(USD/tonne)

SL.No. Item USA Europe Japan Russia Turkey India China

1. Re-bars 620 535 485 474 NA 395 307

2. Hot Rolled Coils 699 517 476 491 NA 384 328

3. Cold Rolled Coils 915 630 NA NA 570 438 368

Source: ERU, JPC

(f) Steel is de-regulated and Government does not try to control its export. As regards Iron Ore, the export duty on Iron Ore is as follows:

Product Export duty rate

Iron ore lumps >58% Fe content 30%
Iron ore lumps <58% Fe content 0%
Iron ore fines >58% Fe content 30%
Iron ore fines<58% Fe content 0%

Annexure-I to LS USQ No.3656
IMPORT OF TOTAL FINISHED STEEL ("000t)
COUNTRY 2013-14 2014-15 2015-16* April-June 2016-17*
ARGENTINA 0.5 0.82 0.5 0
AUSTRALIA 5.1 8.28 3.9 0.74
BAHRAIN 0.8 0.22 0.1 0
BELGIUM 94.8 126.13 95.7 20.82
BRAZIL 70.0 128.87 186.8 6.7
CANADA 18.1 7.31 6.6 0.53
CHILE 0.1 0.02 0.0 0.13
CHINA 1088.4 3600.42 4125.2 510.69
DENMARK 1.0 4.78 3.9 1.48
DJIBOUTI 0.0 0 0.6 0
FINLAND 13.8 11.8 11.8 1.63
FRANCE 36.5 155.84 66.4 31.54
GERMANY 186.0 149.03 197.3 54.27
HONGKONG 0.4 1.5 0.6 1.46
INDONESIA 2.3 14.41 242.8 7.43
IRAN 100.7 0 20.7 7.23
ITALY 25.2 54.95 28.3 6.23
JAPAN 1355.7 1583.31 2160.4 299.83
KAZAKHSTAN 8.1 8.93 4.9 0
KOREA 1312.6 1874.93 3007.3 511.26
KUWAIT 0.1 1.79 0.0 0
MALAYASIA 29.9 95.99 53.1 6.29
NETHERLANDS 21.6 40.21 16.0 3.62
ROMANIA 26.2 11.14 1.9 0.27
RUSSIA 145.9 226.02 364.4 168.92
SAUDI ARABIA 47.8 4.19 0.8 0.11
SOUTH AFRICA 44.1 71.47 51.8 7.56
SPAIN 21.1 29.67 28.3 5.78
SRI LANKA 0.2 0.12 0.4 0.18
TAIWAN 118.8 190.33 202.4 45.28
THAILAND 21.9 15.93 41.9 17.8
TURKEY 14.1 29.09 1.2 0.29
U.K. 28.0 30.26 30.7 5.06
UAE 19.6 34.14 36.4 6.61
UKRAINE 323.0 348.77 238.3 14.76
USA 79.3 120.12 82.5 19.77
Others 188.7 339.24 397.0 67.73
Total 5450 9320 11711 1832
Source: JPC; *provisional

Annexure-II to LS USQ No.3656

EXPORT OF TOTAL FINISHED STEEL ("000 tonnes)
Country 2013-14 2014-15 2015-16* Apr-June 2016-17*
AUSTRALIA 48.3 49.29 29.38 16.31
BAHARIN 14.7 8.48 12.41 0.73
BANGLADESH 95.9 136.5 55.06 21.04
BELGIUM 395.0 198.39 287.42 144.10
BHUTAN 0.0 0 0.00 0.00
BRAZIL 37.6 42.95 11.98 2.37
CANADA 60.6 132.95 17.32 6.36
CHILE 18.3 9.51 18.35 2.14
CHINA 11.2 3.32 3.92 1.00
COLOMBIA 34.5 34.03 15.90 5.59
CONGO 6.8 3.83 3.25 0.21
DENMARK 2.2 9.69 8.90 1.16
DJIBOUTI 18.1 21.45 22.98 9.01
ECUADOR 47.9 31.99 16.78 7.32
EGYPT 33.4 9.82 17.30 4.51

ETHIOPIA 109.8 133.58 157.82 47.12
FINLAND 0.4 0.59 14.33 0.70
FRANCE 7.6 9.46 19.75 2.07
GERMANY 28.8 54.84 47.13 12.99
GHANA 68.9 39.25 41.24 14.07
GREECE 10.0 12.2 46.57 5.12
INDONESIA 126.5 83.87 118.33 32.14
IRAN 179.9 495.8 321.43 8.03
IRAQ 19.6 8.27 30.84 1.18
ISRAEL 3.7 5.47 6.66 1.54
ITALY 442.1 470.86 345.41 100.86
JAPAN 0.7 0.48 0.56 0.22
JORDAN 3.4 0.73 1.89 0.05
KAZAKHSTAN 0.0 0 0.00 0.00
KENYA 197.6 61.28 45.65 7.28
KOREA 24.7 26.63 26.57 6.01
KUWAIT 26.7 12.83 28.16 10.73
MADAGASCAR 0.0 11.81 15.91 4.63
MALAYASIA 70.3 96.55 46.31 49.08
MALDIVES 3.6 4.32 9.17 2.59
MEXICO 35.3 45.29 52.66 8.38
MOROCCO 0.6 1.44 2.52 3.29
MYANMAR 50.7 29.48 18.49 5.56
NEPAL 75.7 236.35 310.54 128.27
NIGERIA 109.1 30.36 39.37 0.77
PERU 28.2 44.33 71.16 13.78
PHILIPPINES 11.9 6.08 7.20 2.86
POLAND 36.1 34.56 39.19 12.44
QATAR 14.7 11.55 9.03 3.68
ROMANIA 28.0 27.69 27.24 5.22
RUSSIA 71.3 27.85 20.56 5.28
SAUDI ARABIA 319.3 248.86 60.50 14.56
SOUTH AFRICA 56.3 36.89 19.60 3.55
SPAIN 145.3 180.41 155.44 46.54
SRI LANKA 127.8 138 100.51 30.35
SWEDEN 4.5 4.48 3.16 2.34
TAIWAN 79.7 129.46 12.90 10.16
TANZANIA 80.1 41.18 25.75 3.75
THAILAND 283.7 188.13 69.80 13.97
TURKEY 34.9 49.66 44.66 46.25
U.K. 121.4 64.56 39.34 8.86
UAE 585.2 606.05 315.93 130.31
UKRAINE 8.5 10.89 1.05 0.65
USA 591.8 501.29 295.63 42.89
VIETNAM 409.4 163.12 38.11 44.75
OTHERS 526.8 516.03 453.97 110.11
TOTAL 5985 5595 4079.00 1227
Source: JPC" *provisional